



Adventure Tourism Development Index Global Benchmarking Method Brief

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The Adventure Tourism Development Index is a benchmarking tool supporting competitive adventure tourism market creation.

The ATDI program is a joint initiative of the Adventure Travel Trade Association, The George Washington University, and Xola Consulting, Inc. 2008 marks the launch of the ATDI, and the ATDI team looks forward to refining and evolving this method in collaboration with the industry in the coming years.

If you would like to learn more or engage with the team in the ATDI's further development and improvement, ***request to become a member*** of our discussion group at adventurebenchmarking.ning.com.

To receive your email invitation to the discussion group send an email message to Christina Heyniger christina@xolaconsulting.com.

More information on the ATDI can also be requested from atdi@gwu.edu or email Kristin Lamoureux at klam@gwu.edu.

ATDI Background and Philosophy

As it grows, the adventure tourism has the potential to positively transform people, environments and economies. Adventure tourism can be a catalyst, sparking economic growth across multiple industries in destinations where it is given strategic focus.

As more destinations and businesses seek to enter the adventure tourism industry, we find the need for a set of principles which can serve as guidelines for responsible development. By agreeing on a set of development principles we provide structure for our industry's growth, ensuring that the markets we create now will be sustainable, delivering benefits into the future for our environment and people.

Building competitive adventure markets requires a different approach than that used to develop mainstream tourism markets. For example, adventure markets have different requirements when it comes to infrastructure and place a different premium on the leadership brought by entrepreneurs to industry growth. The Adventure Tourism Development Index (ATDI) described here offers our industry a framework for development based on a philosophy of sustainable growth which honors the environment and people.

ATDI Features

The ATDI program has two features:

1. Benchmark scores gauging adventure market competitiveness which will be released annually.
2. *Feature Adventure Destination* assessments: qualitative assessments of new and existing adventure markets using the ATDI's 10 Pillars of Adventure Tourism Market Competitiveness.

Assessments provide specific guidance on how to improve the benchmark scores. They can support government and businesses in the start-up phase of market development by identifying Hotspots for adventure tourism and Itineraries emphasizing benefits for rural people and the environment.

Assessments are conducted in-country and provide specific guidance to countries looking to develop sustainable, adventure tourism markets.⁴

Explaining Benchmark Scores

The Adventure Tourism Development Index (ATDI) benchmark score for each country is a number between 0 and 100, where 100 indicates “most supportive” in terms of adventure tourism competitiveness.

Each country’s score is based on an average of scores in 10 categories, or “Pillars,” calculated from a mix of quantitative data. The Pillars have been organized into three Components.

The underlying assumption is that the Most Competitive countries for adventure tourism are doing well in each of the 10 Pillar categories.

This document will take you step-by-step through each of the three Components and the Pillars included within each Component. It describes the rationale for each of the Pillars and why the adventure industry values these factors in destination development.

Description of Components and Pillars

Component A

Safe and Welcoming

Pillars Included:

Gov't Policy (Sustainability)

Safety

Natural Resources

Health

Component B

Adventure

Pillars Included:

Entrepreneurship

Adventure Resources

Component C

Readiness

Pillars Included:

Humanitarian

Infrastructure

Cultural Resources

Adventure Image/Brand

Limitations

As with any benchmarking system, quantitative measurements have limitations posed by data availability and consistency of measurement across countries.

Key limitations of the ATDI's benchmarking data include:

- Not all countries of the world could be benchmarked due to lack of data; some countries with missing data were scored based on a regional average.
- The level of analysis is countries as defined by the UN and not the destination i.e., Scotland, the Grand Canyon are destinations not scored
- Scores for some Pillars rely on data available via World Bank
- Some data points can not capture qualitative aspects - e.g., Health Pillar is based on number of hospital beds or physicians per 1,000 people, but data is not available to factor in helicopter availability or the ease of access to health professionals

How Countries Are Benchmarked

Countries as recognized by the U.N. are benchmarked in the ATDI.

- Two groups: Developed Countries and Developing/Emerging Economies
- Scotland, Corsica, the Basque region, for example, are not benchmarked
- **ATDI 2008 includes 27 Developed countries; 164 Developing/Emerging countries**

How Countries Are Benchmarked, *continued*

Key differences between the ATDI and other measures of tourism market competitiveness:

- The 10 Pillars represent key elements of sustainable adventure market competitiveness
- The relative importance or weighting of the Pillars

The calculation method used in the ATDI has been adjusted to weight more heavily Pillars with specific importance to adventure travel market competitiveness:

- Entrepreneurship
- Adventure Activity Resources

Pillars such as Infrastructure, which are less crucial to competitive adventure tourism markets, have been weighted equally with other factors⁹.

Component A: Safe and Welcoming

Safe and Welcoming

Pillars Included:

Gov't Policy- Sustainability
Safety
Natural Resources
Health

The Safe and Welcoming Component captures whether a destination is safe and welcoming for adventure travelers.

The Pillars included in this Component are:

- **Gov't Policy - Sustainability**
- **Safety**
- **Natural Resources**
- **Health**

Component A: Safe and Welcoming

Pillar 1: Gov't Policy - Sustainability

Safe and Welcoming

Pillars Included:

Gov't Policy- Sustainability

Safety

Natural Resources

Health

Description:

Government policies which support and foster sustainable and rural tourism development are crucial to adventure tourism market competitiveness because they safeguard the destination's natural, heritage and cultural resources and provide a positive investment climate for the private sector.

When public and private sector actions are coordinated, the private sector flourishes, attracting investment and development to a region.

Gauging Gov't Policy - *Sustainability*

Safe and Welcoming

Pillars Included:

Gov't Policy- Sustainability

Safety

Natural Resources

Health

The Gov't Policy - Sustainability Pillar is made up of two indicators:

1. **The Environmental Performance Index**
2. **Unemployment per country (as a % of total labor force)**

Rationale: High environmental performance and low unemployment create a favorable climate for sustainable development. A government's policies are an important factor in driving country performance in these areas.

The Sustainability score is the average of EPI and normalized unemployment rate score, and has a maximum value of 10 and a minimum value of 0.

Component A: Safe and Welcoming

Pillar 2: Safety

Safe and Welcoming

Pillars Included:

Sustainability

Safety

Natural Resources

Health

With respect to safety, the ATDI numerical benchmarks gauge how safe it is to travel in a country.

The ATDI's *Feature Adventure Destination* in-country assessments examine qualitatively whether adventure operators provide for the safety of travelers, and also whether facilities exist to cope with travel-related injuries.

For example, in destinations where scuba diving is a popular draw, do hyperbaric chamber facilities for decompression exist? In destinations where mountaineering is prevalent, are rescue operations available? Do guides have first aid training? Generally, does the client safety offered meet internationally accepted standards?

Gauging *Safety*

The Safety Pillar is made up of two indicators:

1. **The Transparency Index**
2. **Foreign and Commonwealth Travel Warnings (FCO)**

Rationale: Countries with high levels of transparency and low or no travel warnings issued are safer for adventure travelers

The Safety score is calculated by multiplying the CPI score by the FCO multiplier. For example, a country with a CPI score of 26 and an FCO multiplier of 0.4 would get a Safety score of 10.4

Pillars Included:

Sustainability

Safety

Natural Resources

Health

Component A: Safe and Welcoming

Pillar 3: Natural Resources

Safe and Welcoming

Pillars Included:

Sustainability

Safety

Natural Resources

Health

Adventure travelers want untrammelled and well-managed natural resources. Destinations with unusual or rare natural resources, which are well-managed and not exploited, will earn high praise from adventure travelers and sustained market competitiveness.

Gauging *Natural Resources*

The Natural Resources Pillar is made up of two components:

1. **Urban Population**
2. **Population Density**

Rationale: Places with more unpopulated open space are likely to have greater natural resources for adventure tourism.

Natural Resources is included in this Component because it is a measure made of hard numbers taken from World Bank and therefore correlates with the other Pillars in this category.

The Natural Resources score is the average of both scores on a scale of 1 to 10, where 10 reflects a country with the lowest density and the largest urban concentration.

Pillars Included:

Sustainability

Safety

Natural Resources

Health

Component A: Safe and Welcoming

Pillar 4: Health

Safe and Welcoming

Pillars Included:

Sustainability

Safety

Natural Resources

Health

The Health Pillar attempts to gauge the level of healthcare available in the country. This is important for two reasons:

1. A healthy local population is more likely to be able to foster and nurture new businesses, and to care for its resources responsibly.
2. Countries where healthcare is readily available are better able to support adventure travelers.

Gauging *Health*

Safe and Welcoming

Pillars Included:

Sustainability

Safety

Natural Resources

Health

The Health Pillar is made up of two indicators:

1. **Hospital beds (per 1000 people)**
2. **Physicians (per 1000 people)**

Rationale: High number of beds and physicians per 1,000 people suggest higher levels of healthcare.

The Health score is computed by averaging both normalized hospital beds score and physicians score. The resulting score is a 1 to 10 ranking, where 10 represents the country with the most facilities.

Component B: Adventure

Adventure

Pillars Included:

Adventure Resources
Entrepreneurship

The Adventure component captures the most important aspects specific to adventure market competitiveness.

The Pillars included in this Component are:

- **Adventure Resources**
- **Entrepreneurship**

Component B: Adventure

Pillar 5: Adventure Resources

Adventure

Pillars Included:

Adventure Resources

Entrepreneurship

In this category the ATDI recognizes a destination's competitiveness relative to its ability to support specific adventure sports such as rafting, rock climbing, hiking, cycling, etc. With obvious connection to the Natural Resources Pillar, the Adventure Activity Resources Pillar identifies specific opportunity for specialized adventure sports. Adventure sports span a range of outdoor nature-based activities – from bird watching to mountaineering; whitewater rafting to rock climbing; caving to paragliding.

Destinations with resources lending themselves to a the development of a particular sport, for example cliffs excellent for ice climbing, or forests with a wealth of bird species, may find themselves with a market opportunity and sustained competitive advantage.

Gauging *Adventure Resources*

Adventure

Pillars Included:

Adventure Resources
Entrepreneurship

The Adventure Resources Pillar is made up of two indicators:

1. **Protected Species**
2. **Forests, Grasslands, Drylands**

Rationale: High number of endangered species and presence and growth of forests, grasslands and drylands indicates resources for adventure activities.

Example: Rwanda's forest grew 6.9% and gets a score of 10 (because on the 1 to 10 scale, 10 represents the country that on average grew the most forest between 2000 and 2005)

The Adventure Resource score is calculated by averaging both the protected species score and the forest growth score.

Component B: Adventure

Pillar 6: Entrepreneurship

Adventure

Pillars Included:

Adventure Resources
Entrepreneurship

In our experience, adventure travel’s vitality and strength originates from the so-called “fringe” – those pioneering businesses with unusual offerings that would seem to appeal only to a small subset of niche enthusiasts. Those activities which begin outside the mainstream, or which seem too eccentric to appeal to a broader adventure travel market, reliably seem to end up as mainstream activities: the surging popularity of snowboarding is a case in point.

Given this reality, we look for and acknowledge destinations in which entrepreneurship in the business sector is thriving – any destination in which young businesses can start up and gain traction is likely to be fertile ground for adventure tourism entrepreneurs with innovative ideas and therefore more likely to become competitive in the adventure travel market.

Gauging *Entrepreneurship*

The Entrepreneurship Pillar is made up of one component:

1. **2008 Index of Economic Freedom**

Rationale: This indicator assesses 10 economic freedoms: Business Freedom, Trade Freedom, Fiscal Freedom, Government size, Monetary Freedom, Investment Freedom, Financial Freedom, Property Rights, Freedom from Corruption and Labor Freedom - which combined indicate the level of the barriers to entry for new entrepreneurs.

The Entrepreneurship score is on a scale of 1 to 10, where 10 indicates that people in the country enjoy maximum economic freedom.

Adventure

Pillars Included:

Adventure Resources

Entrepreneurship

Component C: Readiness

Readiness

Pillars Included:

Humanitarian

Infrastructure

Cultural Resources

Adventure Image/Brand

The Readiness component examines where a country stands in terms of being able to accept adventure travelers and how the country is marketed to attract adventure travelers.

The Pillars included in this Component are:

- **Humanitarian**
- **Infrastructure**
- **Cultural Resources**
- **Adventure Image/Brand**

Component C: Readiness

Pillar 7: Humanitarian

Readiness

Pillars Included:

Humanitarian

Infrastructure

Cultural Resources

Adventure Image/Brand

The Humanitarian Pillar is concerned with human development in a country - the presence of basic services such as sanitation for example, and with the potential for blended adventure and volunteering trips.

In their quest for authentic, unscripted experiences, adventure travelers frequently seek out opportunities to volunteer in the destinations they visit. Tour operators find themselves looking for NGO and aid organization partners through which they offer their visitors a short term opportunity to contribute to relevant causes and also have the chance to see real people in un-manufactured situations.

We see this trend toward volunteer tourism and its appeal to adventure travelers as continuing to build and find destinations in which volunteering is available to adventure travelers as competitive in the larger market for adventure tourism.

Gauging *Humanitarian*

The Humanitarian Pillar is made up of three indicators:

1. **Happy Planet Index (HPI)**
2. **NGO Density**
3. **NGO Presence**

Rationale: The factors measured by the HPI (life expectancy, life expectation and ecological footprint) combined with the density of NGOs and NGO presence indicate organizations working in humanitarian development and the level of this country's human development.

The Humanitarian score is on a scale of 1 to 10, where 10 indicates highest performance.

Readiness

Pillars Included:

Humanitarian

Infrastructure

Cultural Resources

Adventure Image/Brand

Component C: Readiness

Pillar 8: Infrastructure

Adventure tourism infrastructure includes:

1. Hard infrastructure such as roads, airports, lodging facilities, trails;
2. Soft infrastructure such as:
 - a. Trail maps
 - b. Accessible information on heritage and culture
 - c. Ground operators/ outfitters
 - d. Training programs for adventure tourism including guides/interpreters, ecolodges, etc

Adventure travelers, unlike mainstream package tourists, are frequently less sensitive to deficiencies in hard infrastructure, but perhaps more sensitive than other travelers when it comes to soft tourism infrastructure. While hard infrastructure may take substantial capital investment and years to develop, often soft infrastructure required by adventure travelers can be developed with comparatively little capital outlay.

Readiness

Pillars Included:

Humanitarian

Infrastructure

Cultural Resources

Adventure Image/Brand

Gauging *Infrastructure*

Data for the Infrastructure Pillar comes from surveys of adventure and development industry experts.

At least three experts rated each country on elements measuring the extent to which the country had appropriate infrastructure to welcome adventure seeking travelers.

Example Question: “*Your perception of the availability of appropriate infrastructure for adventure travel in this destination is: very poor to very good*”. The scaled provided spanned from -3 (very poor) to +3 (very good)

To highlight the fact that the infrastructure required for adventure tourism is often much less extensive than that required for mainstream tourism, the phrase “appropriate for adventure travel” was used.

The score is on a scale of 1 to 10, where 10 means that the country has highest rating for its infrastructure

Readiness

Pillars Included:

Humanitarian

Infrastructure

Cultural Resources

Adventure Image/Brand

Component C: Readiness

Pillar 9: Cultural Resources

Readiness

Pillars Included:

Humanitarian

Infrastructure

Cultural Resources

Adventure Image/Brand

Adventure travelers are as keen to learn about new cultures as they are to explore nature. For the adventure traveler, being able to experience local culture in an authentic way is a sought-after outcome of the travel investment.

Destinations which encourage local people to preserve their culture – even as modern influences continue to shape and evolve local customs – fare well with adventure travelers.

In valuing cultural resources the ATDI seeks not to encourage local people to become living museums to the past or actors staging outdated customs, but to acknowledge and honor their customs, recognizing their unique contribution to the world stage.

Component C: Readiness

Pillar 9: Cultural Resources

The Cultural Resources Pillar is made up of two indicators:

1. **UNESCO World Heritage Sites**
2. **Protected Area as a % of Total Land**

Rationale: High number of World Heritage sites and a high number of protected areas indicate a high number of cultural resources.

Cultural resources (a measure of world heritage) is included in the Readiness Component because it is highly correlated with the Image of that country (i.e. the Taj Mahal monument-impacts India's image and perception about the country).

Example: Afghanistan has 0.3% of its land protected, hence a score of 0.3, where Bhutan has 31.5% of its land protected, hence a score of 31.5

The Cultural Resources score is normalized in a scale from 1 to 10, where 10 represents a country that has the maximum number of net World Heritage Sites and the highest percentage of protected sites.

Readiness

Pillars Included:

Humanitarian

Infrastructure

Cultural Resources

Adventure Image/Brand

Component C: Readiness

Pillar 10: Adventure Image/Brand

Readiness

Pillars Included:

Humanitarian

Infrastructure

Cultural Resources

Adventure Image/Brand

A country's image can be one of the most malleable aspects of market competitiveness, but it is also frequently mismanaged as a way of guiding sustainable market development. A country's image for sustainability and adventure opportunity will attract travelers who value these aspects. Through their visitation and expenditures, these people will support the country's ongoing sustainable development strategies.

The ATDI examines a destination's adventure travel image; *Feature Adventure Destination* analyses go further to identify ways in which it could be strengthened and branded to attract visitors.

Gauging *Adventure Image*

Data for the Adventure Image Pillar comes from surveys of adventure and development industry experts.

At least three experts rated each country on elements measuring the extent to which the country has the perception of an adventure destination.

Example Question: “*Your perception of this destination as an adventure tourism destination is: very poor - very good.*” The scaled provided spanned from -3 (very poor) to +3 (very good)

The responses were analyzed for reliability and the final score is an average rating of the three experts’ opinions.

Readiness

Pillars Included:

Humanitarian

Infrastructure

Cultural Resources

Adventure Image/Brand

THANK YOU

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